

March 21, 2025

House Committee On Emergency Management, General Government, and Veterans Oregon State Legislature 900 Court Street NE Salem, OR 97301

## RE: Request to Move House Bill 3556 to the House Committee on Revenue Without Recommendation

Chair Tran, Vice-Chairs Grayber and Lewis, and Members of the Committee,

The City of Gearhart urges you to move House Bill 3556 to the House Committee on Revenue without recommendation so it can receive the thorough financial and policy discussion it deserves.

Tourism draws millions of visitors to Oregon's scenic counties and cities each year, bringing economic benefits but also placing immense strain on local services—particularly public safety. HB 3556 is critical for Gearhart and other communities affected by tourism, ensuring that we can maintain safe and sustainable communities for both residents and visitors. Moving this bill to the House Committee on Revenue will ensure that the financial implications and necessary policy adjustments are fully examined, allowing stakeholders to engage in a meaningful discussion about how to best support tourism-impacted communities.

Tourism is vital to Gearhart's economy, yet the growing number of visitors creates mounting pressure on emergency response systems, law enforcement, and infrastructure. HB 3556 addresses this issue by allowing local governments to allocate new or increased Transient Lodging Tax (TLT) revenues toward tourism-impacted services, including public safety.

Despite the revenue tourism generates, the 70/30 funding structure required under ORS 320.350 disproportionately allocates funds to tourism promotion and facilities. It requires that for all new local TLT rates and increases established after June 30, 2003, 70% must be used for tourism promotion and tourism-related facilities, leaving only 30% for discretionary use. This allocation fails to reflect the impacts of tourism, particularly the significant burden it places on essential public safety services.

The effects are tangible. Tourism-related incidents increase demands on law enforcement, fire departments, search and rescue teams, emergency medical services, and our local justice system. First responders must manage a higher volume of calls for accidents and incidents on

our highways and recreational sites. In rural areas, volunteer-staffed fire agencies face significant challenges due to heavy workloads, insufficient funding, and limited staff. In Clatsop County, this includes 11 fire agencies that rely on volunteers in order to provide year-round services.

Tourism-related incidents place a significant burden on law enforcement, fire departments, search and rescue teams, emergency medical services, and the District Attorney's Office. It increases demand for emergency response to accidents and incidents on highways and recreational sites. In rural areas, volunteer-staffed fire agencies face significant challenges due to heavy workloads, insufficient funding, and limited staff. In Clatsop County, this includes 11 fire agencies that rely on volunteers in order to provide year-round services.

Each year, a significant number of visitors interact with local law enforcement and the justice system. From 2019 to 2024, visitors accounted for roughly one-third of all jail bookings, arrests, and tickets in Clatsop County, as well as 15% of crime victims. Additionally, our emergency medical services provider for the County responded to an average of 382 calls per month, with peak months exceeding that average by more than 14%. Without the ability to allocate TLT revenue toward essential public safety services, local governments are left without the resources needed to respond effectively to these increasing demands.

HB 3556 would provide much-needed flexibility for highly tourism-impacted communities like Gearhart to use TLT funds for critical public safety services. Ensuring that these funds can support emergency response efforts is not only a matter of public safety—it is essential for sustaining tourism itself. A safe and well-supported destination enhances visitors' experiences, encouraging them to return and strengthening Oregon's tourism economy long-term.

For these reasons, we strongly urge you to move HB 3556 to the House Committee on Revenue without recommendation, allowing for a full and informed discussion on how to best support tourism-impacted communities.

Thank you for your time and consideration.

Sincerely, KANDER

Sharon Kloepfer, City Councilor

City of Gearhart